Sounds of Service ■ Money-making Case Studies

Automotive News

Extra

July 21, 1986

SERVING UP PROFITS

Dealership service managers expect a heapin' helpin' of profits in the coming year

By Scott Miner

Service managers across the country are confident that higher technology in today's cars will draw work away from independent garages — and bring profits on a silver platter into the waiting hands of auto dealers.

Because of this expected increase in business, most dealers plan to spend more money on new equipment during the coming year.

The high-tech equipment will be used particularly to increase efficiency and profitability of engine-tuneup, wheel-alignment and wheel-balancing operations.

However, investments also are slated to increase for equipment used in engine overhaul, transmission work, frame/body straightening, brake jobs, refinishing/rustproofing and other service functions.

The bottom line of the latest *Automotive News* Survey of Service Managers is that business and profitabil-

Continued on page E2

Cover photo by Joe Wissens

SERVING UP PROFITS

Continued from cover page

ity opportunities for new-car dealership service departments are on the rise as the '87 model year approaches.

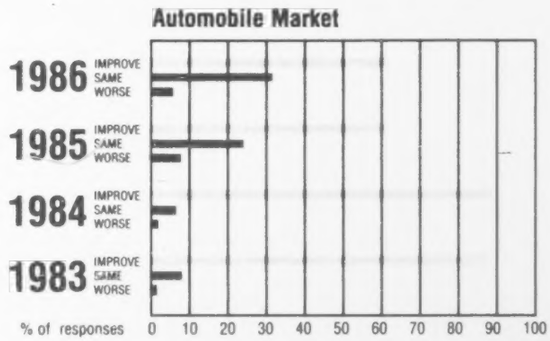
Taken in June 1986, the survey — in questionnaire form — drew responses from new-car dealership service managers throughout the U.S.

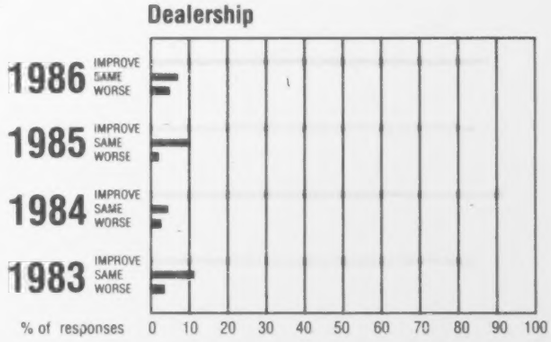
While survey results indicate the mood of the nation's dealer service managers definitely continues to be upbeat, it suggests their optimism concerning the overall U.S. automobile market is tempering somewhat.

In recent years they projected hefty annual improvements in the automobile market generally. Today the majority of service managers believe the car market will remain on a relatively even keel over the next two years, and there are strong notions that competition will intensify.

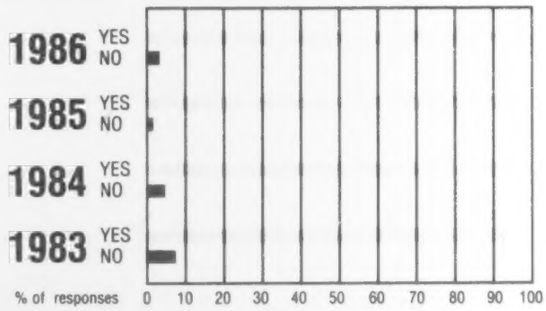
A service manager for a dualed domestic-import car dealership in New Haven, Conn., points out: "The sales business, and therefore the service business, of the future will go to those with the best products. I feel that, unless American manufacturers continue to improve their products, the foreign makes will manage to remain ahead of us."

Question 1: **What do you consider the business outlook to be for the automobile market in general and your dealership specifically for the next two years?**

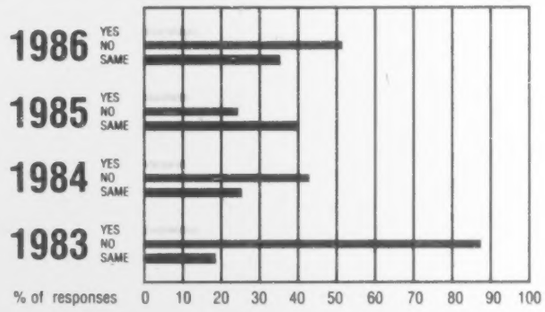

Automobile Market
1986 IMPROVE SAME WORSE
1985 IMPROVE SAME WORSE
1984 IMPROVE SAME WORSE
1983 IMPROVE SAME WORSE
% of responses 0 10 20 30 40 50 60 70 80 90 100


Dealership
1986 IMPROVE SAME WORSE
1985 IMPROVE SAME WORSE
1984 IMPROVE SAME WORSE
1983 IMPROVE SAME WORSE
% of responses 0 10 20 30 40 50 60 70 80 90 100

Question 2: **Do you as a service manager, feel that your service department offers a potential for increased profits in the future?**



Question 9: **Are new model cars more profitable to service than those of previous years?**



CHARLOTTE WINTER

Automotive News Extra

CONTENTS

COVER STORY: SERVING UP PROFITS E2
Our annual survey reveals service managers are very optimistic.

SERVICING WOMEN CUSTOMERS E6
A new study says women have the same service needs as men.

THE PARTS FINDER E12
Dealers can keep customers happy by getting them the right parts.

SERVICING THE CHEAPIES E16
Now that we have Hyundais and Yugos, who's going to service them?

SOUNDS OF SERVICE E18
Service managers resort to onomatopoeia to describe car malfunctions.

SERVICE ON THE ROAD E22
Two companies offer service to customers where they need it most.

PROBLEMS WITH PLASTIC E24
If plastic-bodied cars proliferate, body shops face new problems.

SPECIALTY TUNERS E26
For some folks, dealer service just isn't good enough.

SERVICE ON THE GO E28
How much business do fast lube/tune/muffler shops steal from dealers?

SPECIAL SECTION: DEALER CASE STUDIES

ENGINE OVERHAULS E29
SERVICING NIGHT OWLS E30
TRANSMISSION REPAIR E31
PROTECTIVE CHEMICALS E32
WHEEL BALANCING E33
TUNE-UPS E36
WHEEL ALIGNMENT E38
BRAKE JOBS E39

THERE REALLY IS A MR. ZIEBART E40
For Kurt and Edith Ziebart, the rustproofing business is but a memory.

COMING AUG. 18: SHOWROOM PROFITS EXTRA

Nonetheless, on their own turf, the service dealers' optimism remains particularly high. They feel very good about the business destinies of their dealership operations, and a clear majority feels their service departments will generate greater profits during the next two years.

In achieving those improved profits, more service managers than last year believe the proof of their success lies mainly in the skilled hands of their technicians.

A respondent in Bakersfield, Calif., notes, "Increasing specialization of vehicles will make dealership experience and service knowledge more important."

He is among the many service managers who believe auto dealerships are providing ample advertising to attract customers to their service bays.

Indeed, many consider their service "reputation" is their best form of advertising, and they do not plan to urge dealership management to boost service-advertising budgets.

Echoing the sentiments of numerous respondents, a service manager in Reading, Pa., points out, "A good service department with a good reputation does not need a lot of advertising."

Among those who want additional advertising and promotion support, direct-mail programs are gaining in popularity.

Service managers also are tightening their grips on service department hiring. When mechanics are hired these days, the survey shows, the service manager has a greater say than ever before.

However, hiring is not always done by the service manager alone, and it still is not uncommon for dealership owners or general managers to be involved.

The big personnel problem: With technology being built into today's cars in increasing measures, service managers are finding it more difficult to get qualified mechanics.

A service manager on the East Coast sums up the thoughts of many others: "The lack of trained technicians is creating such a problem that the hassle for a service manager is beyond comprehension. It's just not worth the aggravation anymore."

Hassle or not, service managers are still kings when it comes to buying service equipment for their shops. For the second straight year, 100 percent of respondents indicate they are involved when their dealerships buy new service equipment.

What kind of equipment will they buy in 1986? According to the survey, a lot of it will be equipment used in engine tuneups, wheel alignments, wheel balancing, engine overhauls, transmission work, brake jobs and refinishing/rustproofing.

On the one hand, while service managers believe their operations will be more profitable in the future, on the other hand they generally feel that 1986 model cars offer no more service-profit potential than those of previous years.

Contributing to that, a number of service managers note, are extended warranties and longer service intervals which prolong intervals between visits to dealer service departments by new-car owners.

A Denver, Colo., service manager sums it up: "No, new cars are not more profitable because of the duration between servicings and because less service is required in the first year."

Besides that, comments a service manager in Erie, Pa., "There are too many comebacks. The newer the car, the harder it is to repair the first time because of intermittent problems due to all the electrical devices."

This year's survey indicates dealer service operations are open fewer hours per week than in recent years. An unprecedented percentage of them are open just

Franchised New-Car Dealers Service & Parts Sales ($ Millions)

Service Labor Sales	1985	1984	% Change
Customer mechanical	$5,434	$4,818	12.8
Customer body	2,431	2,192	10.9
Warranty	2,174	1,848	17.6
Sublet	1,187	1,096	8.3
Internal	2,002	1,797	11.4
Other	1,073	994	7.9
TOTAL SERVICE LABOR	$14,301	$12,745	12.2

Parts Sales	1985	1984	% Change
Customer mechanical	$3,854	$3,503	10.0
Customer body	2,389	2,228	7.2
Wholesale	5,954	5,713	4.2
Counter	1,407	1,365	3.0
Warranty	2,640	2,318	13.9
Internal	2,023	1,869	8.3
Other	1,001	971	7.2
TOTAL PARTS	$19,268	$17,967	7.2
TOTAL SERVICE & PARTS	$33,569	$30,712	9.3

Source: NADA Industry Analysis Division

45 to 50 hours a week.

As service departments reduce the number of hours they are open, the average shop is employing fewer people. This is due mainly, it appears, to a relatively high increase in the number of medium-size operations.

Meantime, more service managers indicate an upswing in brake work, collision repair, wheel balancing and engine overhaul as their most profitable operations this year.

A service manager from Manchester, N.H., says his most profitable operations are tuneups, brakes, wheel balancing and wheel alignments because "they are repetitive jobs that offer an opportunity to sell easily installed items."

Another from Meridian, Miss., spells out what he considers his most important service job: "Any maintenance-type operation is more profitable than heavy repair work because only a semi-skilled technician is needed to perform maintenance work and it is highly profitable."

Another in Los Angeles describes profitable operations as those that entail "a lower degree of difficulty with less chance for problems."

Warranty and extended service work are paying off in their departments, say the service managers, but not at the level of recent years.

As for service managers themselves, survey results show that they are now younger on average than in previous years. A clear majority of them are below 44 years of age, because of a slight rise in the percentage of service managers between the ages of 18 to 24.

In keeping with managers being younger, most have been in their profession only four-to-seven years. The next-highest percentage is one-to-three years.

Also, service managers tend more and more to be coming directly out of the mechanics side of the business, rather than from the write-up side.

While service managers are getting younger, their pay is getting better. Most are earning between $35,000 and $44,999 a year. Last year most were in the $25,000-to-$29,000 category.

In the highest-pay category of $50,000 or more, the percentage rose several points from last year and previous years.

There was also an increase in the less-than-$15,000-salary range — possibly reflecting the youth trend in the business — but several respondents in this salary range said they earn additional salary by doubling as parts managers.

To earn bigger bucks, most service managers get some sort of bonus or incentive package. A manager in Boston, who enjoys an unusual benefit, says, "My commuting expenses are also covered."

Stock options and/or a percentage of the service department's profits are the most common supplement to salaries.

While service managers are younger on average, are making more money and working fewer hours, just under half believe their salary and benefits are not proportionate to their professional experience. ■

Automotive News Survey of Dealer Service Managers

Note: Figures indicate percent of total responses for each question, each year; in some cases, totals add to more than 100 percent because of multiple responses to a question.

Question 1: What do you consider the business outlook to be for the automobile market in general and your dealership specifically for the next two years?

Automobile Market	1986	1985	1984	1983
Improve	61.2	64.9	89.7	89.1
Same	32.6	25.7	7.6	8.6
Worse	6.2	9.4	2.7	2.3
Dealership	**1986**	**1985**	**1984**	**1983**
Improve	88.0	86.9	92.1	86.6
Same	8.0	10.2	5.3	10.5
Worse	4.0	2.9	2.6	2.9

Question 2: Do you as a service manager feel that your service department offers the potential for increased profits in the future?

	1986	1985	1984	1983
Yes	98.0	98.6	97.2	96.1
No	2.0	1.4	2.8	3.9

Question 3: Do you feel that your dealership management believes the service department offers the potential for increased profits in the future?

	1986	1985	1984	1983
Yes	96.0	97.1	94.4	95.2
No	4.0	2.9	5.6	4.8

Question 4: Do you as service manager believe your dealership is spending enough on advertising and promotion to improve your service business?

	1986	1985	1984	1983
Yes	74.0	72.3	74.3	66.4
No	26.0	27.7	25.7	33.6

Question 5: Who hires the mechanics in your service department?

	1986	1985	1984	1983
Dealership owner	11.5	15.7	17.8	12.3
Dealership manager	1.9	5.7	6.7	6.2
Service manager	86.6	78.6	75.5	81.5

Question 6: When your dealership buys new service equipment are you involved?

	1986	1985	1984	1983
Yes	100.0	100.0	97.2	98.4
No	0.0	0.0	2.8	1.6

Question 7: Which statement below best describes your involvement in buying new service equipment?

	1986	1985	1984	1983
Original purchase request	62.0	62.9	39.9	38.1
Approve make selected	48.0	38.6	24.3	24.0
Negotiate terms	28.0	22.9	3.7	5.4
Give advice on needs	58.0	37.1	53.5	57.7

Question 8: What type of service equipment does your dealership plan to buy this year?

	1986	1985	1984
Tuneup	24.5	21.4	27.7
Wheel alignment	26.4	18.6	21.3
Wheel balance	11.8	10.0	14.9
Collision repair	1.8	10.0	12.8
Brakes	7.1	5.6	10.6
Transmissions	2.9	1.8	4.3
Engine overhaul	3.7	2.9	2.1
Refinishing	1.8	—	—
Other	10.0	29.7	6.3

Question 9: Are new model cars more profitable to service than those of previous years?

	1986	1985	1984	1983
Yes	13.7	11.4	11.8	14.6
No	50.9	54.3	52.9	67.4
Same	35.4	34.3	35.3	18.0

Question 10: How many hours per week is your service department open?

	1986	1985	1984	1983
Less than 40 hours	18.0	18.6	11.1	23.5
45 to 50 hours	60.0	38.6	47.2	40.7
51 to 55 hours	14.0	27.1	19.4	19.5
56 to 60 hours	6.0	11.4	8.3	9.3
More than 60 hours	2.0	4.3	14.0	7.0

Question 11: How many employees are there in your service department including parts and service personnel?

Number of employees	1986	1985	1984	1983
1 to 10	28.0	25.7	33.3	27.4
11 to 20	18.0	28.6	27.8	25.7
21 to 30	36.0	15.7	13.9	19.5
31 to 40	8.0	17.1	11.1	13.3
More than 40	10.0	12.9	13.9	14.1

Question 12: What is your most profitable service operation?

	1986	1985	1984	1983
Tuneups	24.0	40.3	39.8	39.1
Brakes	25.3	20.4	25.6	23.5
Wheel alignment	6.6	9.0	11.3	8.5
Transmissions	6.6	10.4	8.4	10.3
Collision repair/refinish	9.3	6.1	7.7	5.9
Wheel balance	4.0	1.8	2.7	3.0
Engine overhaul	13.3	3.3	1.8	4.4
Other	10.6	8.7	2.7	5.3

Question 13: How much do the following contribute to your service profits?

1986	Significantly	Some	None
New car warranty work	40.8	48.9	10.2
Extended service contracts	27.0	66.6	6.4
1985	**Significantly**	**Some**	**None**
New car warranty work	44.3	48.6	7.1
Extended service contracts	17.1	67.3	15.6
1984	**Significantly**	**Some**	**None**
New car warranty work	48.8	43.9	7.3
Extended service contracts	8.6	74.3	17.1
1983	**Significantly**	**Some**	**None**
New car warranty work	38.2	52.3	9.5
Extended service contracts	23.4	60.9	15.7

Question 14: What is your age?

	1986	1985	1984	1983
18 to 24	4.0	0.0	0.0	0.7
25 to 29	16.0	15.7	9.8	8.5
30 to 34	16.0	11.4	19.5	13.3
35 to 39	26.0	18.6	29.3	22.8
40 to 44	16.0	22.9	7.3	19.6
45 to 49	10.0	12.9	4.9	10.9
50 to 54	2.0	11.4	12.2	14.1
55 to 59	4.0	4.3	14.6	7.8
60 to 64	6.0	2.8	2.4	2.3

Question 15: Before becoming a service manager at your present or any other dealership, what type of job did you have?

	1986	1985	1984	1983
Write-up man	24.6	31.4	24.4	16.9
Mechanic	43.4	37.2	44.1	38.1
Parts manager	8.6	5.7	9.8	12.2
Other	23.4	25.7	21.7	32.8

Question 16: How many years have you been a service manager (including time as service manager at previous dealerships)?

Number of years	1986	1985	1984	1983
1 to 3	19.6	22.9	22.9	20.3
4 to 7	33.3	21.4	26.6	21.6
8 to 11	17.6	15.7	11.4	15.6
12 to 15	5.8	12.9	15.7	14.1
16 to 19	9.8	11.4	9.2	10.1
20 or more	13.9	15.7	14.2	18.3

Question 17: What was your total compensation last year for being a service manager?

	1986	1985	1984	1983
Less than $15,000	4.1	2.9	2.7	3.1
$15,001 to $19,999	4.1	10.0	8.1	14.0
$20,000 to $24,999	18.7	14.3	16.2	15.6
$25,000 to $29,999	10.4	24.1	27.0	22.1
$30,000 to $34,999	8.3	11.4	13.5	12.5
$35,000 to $39,999	20.8	10.1	10.8	14.8
$40,000 to $44,999	14.5	8.7	6.8	3.9
$45,000 to $49,999	6.2	10.2	9.5	5.5
$50,000 or more	12.5	8.3	5.4	8.5

Question 18: What was your total compensation for being a service manager based on?

	1986	1985	1984	1983
Salary only	9.4	8.6	11.8	14.1
Salary + overtime	1.8	1.9	2.9	2.3
Salary + bonus	26.7	38.6	41.2	29.7
Salary + incentive	43.6	45.2	35.3	42.2
Salary + other	18.5	5.7	8.8	11.7

Question 19: Do you believe your salary and benefits are commensurate with your experience?

	1986	1985	1984	1983
Yes	48.9	54.2	63.6	59.7
No	51.1	45.8	36.4	40.3

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Early-July sales increase 8.8 pct.; 189,516 total is best since 1978

By Jenny L. King
DETROIT REPORTER

Continuing to respond to incentive programs, domestic new-car sales climbed 8.81 percent in early July. It was the fourth consecutive period of increase and was the best July 1-10 since 1978.

Domestic sales the first 10 days of July totaled 189,516 — up 8.81 percent from 174,176 a year earlier — and were the strongest for the period since the 209,964 reported in 1978.

With eight selling days in the period this year and last, the daily average of 23,690 was up 8.81 percent from 21,772 in 1985. The early-July daily rate was down 28.76 percent from the spectacular 33,253 rate for June 21-20.

The July 1-10 total included sales gains for the Big Three and Volkswagen. Honda was down slightly, American Motors tumbled 55.88 percent and Nissan sales were strangled by the months-long changeover for production of the 1987 Sentra four-door sedan at the Smyrna, Tenn., facility.

Chrysler Motors reported a 25.62-percent sales jump, to 29,686 from 23,631 last year. Ford Motor Co. was up 8.83 percent, to 49,848 from 45,803. General Motors sales of 103,896 were up 7.76 percent from 96,410.

VW enjoyed a 49.96-percent gain as its sales rose to 1,858 from 1,239. Honda was off 1.06 percent, to 2,803 from 2,833. AMC plunged 55.88 percent, to 1,350 from 3,060, while estimated Nissan sales of 75 compared with 1,200 a year earlier.

The market shares shifted in favor of Chrysler, which climbed to 15.67 percent from 13.57 percent. Ford retained its 1985 share of 26.30 percent. GM slipped to 54.82 percent from 55.35 percent.

VW moved up to 0.98 percent from 0.71 percent as Honda went to 1.48 percent from 1.63 percent. AMC earned 0.71 percent compared with 1.75 percent a year earlier, and Nissan held just 0.04 percent, down from 0.69 percent.

At Chrysler Motors, July 1-10 brought a 32.44-percent increase for Plymouth, a 28.39-percent jump for Chrysler and an 18.50-percent improvement for Dodge. Ford was up 15.30 percent to offset a 3.25-percent drop for Mercury and a 2.26-percent decline for Lincoln.

At GM, Buick sales were up 12.96 percent, Chevrolet was up 3.77 percent and Pontiac was up 39.61 percent. Cadillac plunged 19.46 percent and Oldsmobile missed its year-ago mark by 0.60 percent.

Year-to-date sales through July 10 totaled 4,329,495, down 3.55 percent from 4,488,843 last year.

Ford Escort/EXP, at 9,750, was the top-selling nameplate July 1-10, followed by Chevrolet Cavalier, 9,610; Chevrolet Celebrity, 9,459; Oldsmobile Cutlass Ciera, 6,919; and Ford Tempo, 6,087.

DOMESTIC SALES

	July 1-10, 1986	July 1-10, 1985
Renault		
Alliance-Encore	1,100†	2,760†
AMC	250†	300†
AMERICAN MOTORS	1,350†	3,060†
Chrysler	10,018	7,803
Plymouth	8,659	8,538
Dodge	11,009	9,290
CHRYSLER CORP.	29,686	23,631
Ford	34,164	29,630
Mercury	12,094	12,500
Lincoln	3,590	3,673
FORD MOTOR CO.	49,848	45,803
Buick	17,925	15,868
Cadillac	5,809	7,213
Chevrolet	38,092	36,707
Oldsmobile	22,393	22,528
Pontiac	19,677	14,094
GENERAL MOTORS	103,896	96,410
VOLKSWAGEN	1,858	1,239
HONDA	2,803	2,833
NISSAN	75†	1,200†
U.S. INDUSTRY TOTAL	189,516	174,176

†—Estimate

Auto analysts slate meeting

DEARBORN, Mich. — A steering committee of a newly formed group, the Society of Automotive Analysts, will meet July 29 during the Automotive News World Congress.

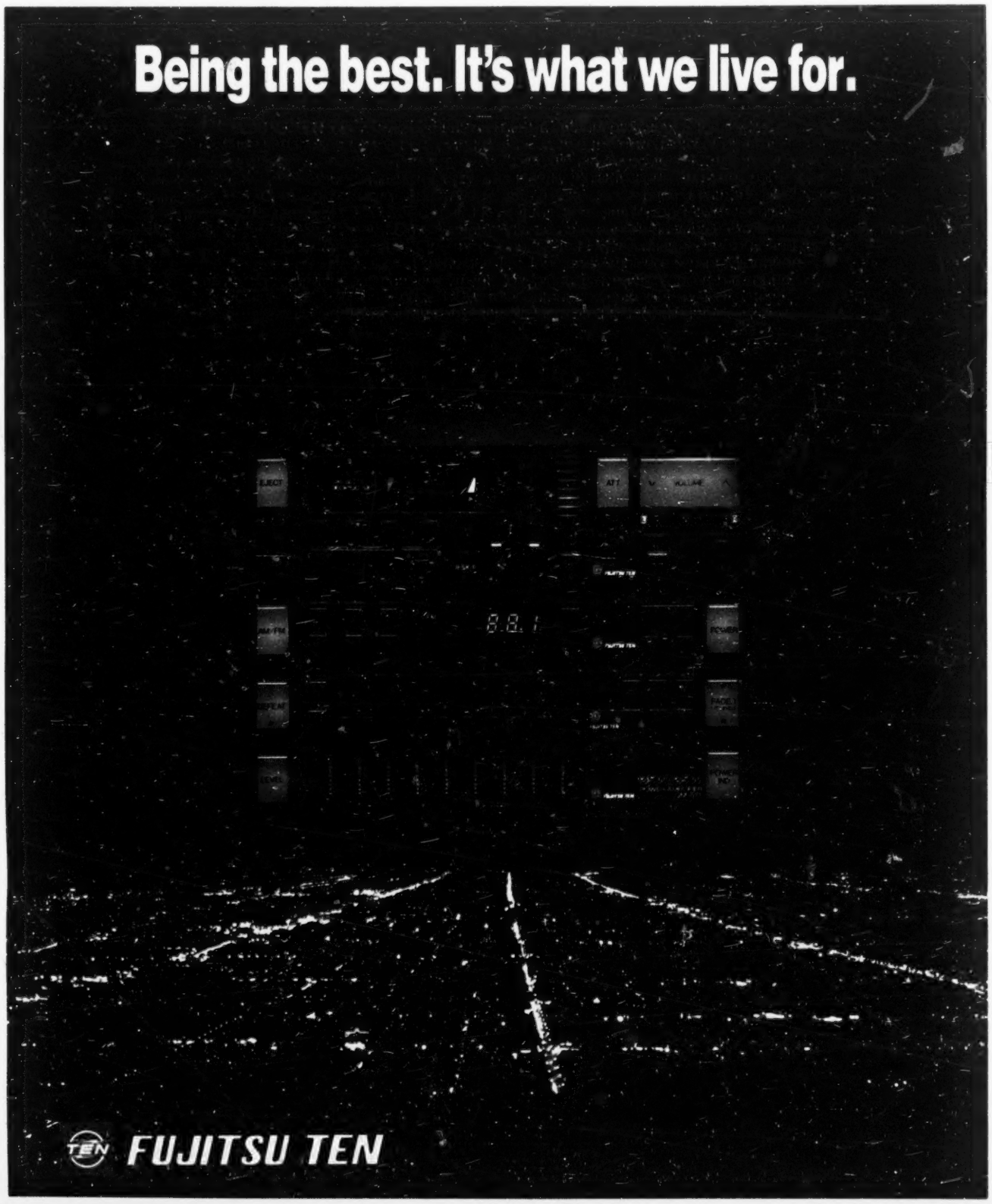
Martin Stein, of ABT Associates Inc., Washington; Al Warner and Ed Leviton, of the U.S. Department of Commerce; and Michael Luckey, auto analyst with Shearson Lehman Brothers, are spearheading the group.

It is being formed to promote professional interaction among automotive analysts from government, industry and Wall Street.

Initially, the society will sponsor an annual program and a newsletter. Activities being considered include a membership directory, plant tours, local chapters, industry briefings, conferences and a job bank.

The steering committee will meet for breakfast at 7:30 a.m. July 29 at the Hyatt Regency Dearborn.

For information, contact: Martin Stein, Society of Automotive Analysts, 4250 Connecticut Ave. N.W., Suite 500, Washington, D.C. 20008 or call 202- 362-2800.



AUCTION DATES

American Motors

July 22 — High Point Auto Auction, High Point, N.C.

July 23 — Columbus Fair Auto Auction, Columbus, Ohio

July 24 — Corry Auto Auction, Corry, Pa.; Evansville Auto Auction, Evansville, Ind.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 25 — Floyd Hauhe Auto Auction, Bridgeton, Mo.

July 29 — Aptco Auto Auction, Taylor, Mich., and D-A Auto Auction, New Stanton, Pa.

July 30 — Kansas City Auto Auction, Kansas City, Mo., and Metro Milwaukee Auto Auction, Caledonia, Wis.

July 31 — Northway Exchange Inc., Clifton Park, N.Y.; Evansville Auto Auction, Evansville, Ind.; and Todd Auto Auction, Telford, Pa.

Chrysler Corp.

July 22 — Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Golden Gate's Special 5th Ave. Sale, Fremont, Calif.

July 23 — Butler Auto Auction, Gibsonia, Pa.; Sand Mountain Auto Auction, Boaz, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

July 24 — Clanton's Auto Auction, Darlington, S.C.

General Motors

July 22 — Southern Auto Auction, E. Windsor, Conn., and South Seattle Auto Auction, Kent, Wash.

July 23 — Clanton's Auto Auction, Darlington, S.C.; Hatfield Auto Auction, Hatfield, Pa.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 24 — Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston, Tex.; Butler Auto Auction, Gibsonia, Pa.; and Floyd Hauhe Auto Auction, Bridgeton, Mo.

July 30 — Atlanta Auto Auction, Red Oak, Ga.; Golden Gate Auto Auction, Fremont, Calif.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Brasher's Salt Lake Auto Auction, Salt Lake City.

July 31 — Arena Auto Auction, Chicago

Ford Motor Co.

July 23 — Lakeland Auto Auction, Lakeland, Fla., and Brasher's Southern California Auto Auction, Fontana, Calif.

July 24 — Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 29 — South Seattle Auto Auction, Kent, Wash.

July 30 — Columbus Fair Auto Auction, Obetz, Ohio, and Clanton's Auto Auction, Darlington, S.C.

July 31 — Houston Predelivery Center, Houston, Tex., and Floyd Hauhe Auto Auction, Bridgeton, Mo.

Rail-transit terminal opens near Detroit

NEW BOSTON, Mich. — A new CSX Transportation facility here has begun shipping new autos by rail to markets throughout the United States.

The terminal is a 47-acre fenced facility on a 150-acre site. It includes a 25-railcar-capacity spotting ramp track. New Boston is southwest of Detroit.

Used Car Sales

Auction Averages

July to date	$5,173
Month ago	$5,172
Year ago	$4,891

Model Breakdown

Auction Averages

	JUL 1986	JUN 1986	MAY 1986
1986	$12,386	$12,183	$11,292
1985	$8,495	$8,558	$8,650
1984	$6,284	$6,342	$6,384
1983	$5,504	$5,530	$5,516
1982	$4,348	$4,363	$4,361
1981	$3,397	$3,422	$3,423
1980	$2,526	$2,561	$2,560
1979	$2,161	$2,172	$2,195
Overall Average	$5,173	$5,194	$5,143

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PRODUCTION

U.S. CAR	Week Ended July 19, 1986	Week Ended July 20, 1985	Week Ended July 12, 1986	July to Date	Jan. 1 to July 20, 1985	Jan. 1 to July 19, 1986
AMERICAN MOTORS	0	2,783	1,444	1,444	58,831	30,037
Renault Total	0	2,783	1,444	1,444	58,831	30,037
Alliance	0	1,997	1,363	1,363	36,242	26,690
Encore	0	786	81	81	22,589	3,347
CHRYSLER CORP.	12,800	26,398	15,622	51,474	802,704	782,886
Plymouth Total	3,800	7,127	4,482	14,374	230,456	231,657
Horizon	2,600	2,905	3,271	8,470	85,446	93,735
Sundance	800	0	708	1,723	0	2,908
Reliant	400	2,955	503	3,273	102,423	96,853
Caravelle	0	1,126	0	494	31,538	27,823
Gran Fury	0	141	0	414	11,049	10,338
Chrysler Total	2,600	8,576	3,298	12,658	263,698	251,366
LeBaron	1,000	1,716	1,146	3,468	62,027	64,278
LeBaron GTS	1,100	2,355	1,631	4,429	60,851	40,054
Laser	500	1,038	521	1,554	33,107	27,309
New Yorker/E-Class	0	1,407	0	937	43,632	47,309
Fifth Avenue	0	2,060	0	2,270	67,081	72,416
Dodge Total	6,400	10,695	7,842	24,442	304,550	299,863
Omni	3,200	2,625	4,169	10,668	84,371	91,030
Shadow	700	0	605	1,507	0	2,587
Aries	300	3,041	389	3,184	84,454	75,358
Daytona	900	988	993	2,793	30,010	30,875
Dodge 600	500	1,391	665	2,418	42,077	46,915
Lancer	800	1,522	1,021	2,871	42,985	32,671
Diplomat	0	1,128	0	1,000	21,653	20,427
FORD MOTOR	39,627	32,397	4,430	46,914	927,745	991,146
Ford Division	27,476	21,357	4,036	33,895	615,387	678,844
Escort	7,698	7,282	0	7,698	176,875	211,593
Mustang	4,394	3,615	4,036	10,813	98,505	112,977
LTD	0	3,313	0	0	121,074	0
Taurus	8,448	0	0	8,448	0	156,960
Thunderbird	2,946	3,301	0	2,946	105,553	87,911
Crown Victoria	0	0	0	0	7,122	0
EXP	0	0	0	0	3,838	0
Tempo	3,990	3,846	0	3,990	102,420	109,383
L-M Division	12,151	11,040	394	13,019	312,358	312,302
Mercury Total	8,528	7,853	394	9,396	223,916	214,773
Lynx	1,355	1,689	0	1,355	40,262	35,540
Capri	196	701	394	1,064	10,125	10,609
Marquis	0	1,703	0	0	60,875	0
Sable	2,771	0	0	2,771	0	67,029
Cougar	2,942	2,626	0	2,942	76,412	68,535
Grand Marquis	0	0	0	0	4,733	0
Topaz	1,264	1,134	0	1,264	31,509	33,060
Lincoln Total	3,623	3,187	0	3,623	88,442	97,529
Continental	407	447	0	407	14,967	10,985
Lincoln	2,719	2,385	0	2,719	63,689	73,165
Mark VI/VII	497	355	0	497	9,786	13,379
GENERAL MOTORS	79,057	93,678	75,691	212,318	2,837,304	2,548,356
Buick Total	16,957	22,080	16,449	45,104	578,420	456,961
Skylark (X-car)	0	0	0	0	40,953	0
Skyhawk	2,512	2,372	2,733	6,754	64,759	53,159
Somerset/Skylark	2,785	1,919	2,939	7,447	68,380	64,919
Century	4,730	6,101	4,721	12,597	151,434	143,343
Regal	0	4,197	0	1,318	72,198	36,489
LeSabre/Electra(rwd)	346	2,453	359	932	80,106	8,578
LeSabre (fwd)	4,650	0	4,241	11,656	0	81,058
Riviera	1,015	1,164	568	1,920	38,112	15,165
Electra(fwd)	919	3,874	888	2,480	62,478	54,250
Cadillac Total	6,111	6,919	5,896	15,830	209,094	194,195
Cimarron	340	527	346	944	16,449	15,443
Seville	944	706	715	2,162	22,229	13,586
Eldorado	920	1,385	744	2,156	41,922	15,032
Cadillac (rwd)	0	397	0	0	28,341	49,101
DeVille (fwd)	3,907	3,904	4,091	10,568	100,153	101,033
Chevrolet Total	19,575	28,081	18,640	53,282	965,412	782,384
Chevette	0	3,557	0	1,316	95,289	61,031
Cavalier	8,357	9,631	8,257	22,042	283,479	244,653
Celebrity	3,120	5,481	2,792	8,158	161,889	156,796
Camaro	2,828	3,525	2,919	8,321	134,231	115,553
Citation	0	0	0	0	28,699	0
Monte Carlo	2,170	1,893	2,124	5,692	80,592	65,333
Chevrolet	3,100	2,995	2,548	7,338	153,540	123,875
Corvette	0	999	0	415	25,562	15,143
Oldsmobile Total	21,899	24,516	13,641	50,173	701,666	631,023
Firenza	342	914	326	880	38,067	23,409
Cutlass Supreme	0	5,486	0	1,118	129,322	84,031
Cutlass Ciera	7,996	6,623	4,742	17,619	207,496	162,086
88 (rwd)	0	5,898	0	0	139,957	11,749
88 (fwd)	8,472	0	3,482	17,221	0	201,049
Olds 98	2,344	2,860	2,413	6,284	79,977	66,484
Calais	2,015	2,046	2,108	5,358	83,901	70,891
Toronado	730	689	570	1,692	22,946	11,324
Pontiac Total	14,515	12,082	21,065	47,928	382,712	483,793
Acadian**	0	205	0	431	7,506	9,864
2000 Sunbird	3,091	2,339	4,050	9,237	81,433	85,204
1000	0	863	0	513	17,599	11,792
Firebird	2,475	1,988	3,291	8,104	72,197	71,017
6000	3,255	1,571	3,964	9,255	28,167	89,848
Parisienne	894	1,592	1,820	3,523	42,280	41,426
Fiero	0	2,507	2,048	3,147	67,361	44,070
Grand Am	4,800	1,017	5,892	13,718	66,169	130,572
HONDA	4,710	3,094	4,275	8,985	88,961	105,970
NISSAN	0	1,192	0	0	11,896	21,517
NUMMI*	3,832	1,700	3,832	10,730	18,057	113,045
VOLKSWAGEN	0	2,068	1,768	3,063	54,258	50,282
Total Cars, U.S.	140,026	163,310	107,062	723,288	4,799,756	4,643,239
Total Cars, Canada	9,948	10,374	10,138	35,207	586,847	624,768
N. American Cars	149,974	173,684	117,200	758,495	5,386,603	5,268,007
N. American Trucks	69,913	76,761	48,962	160,471	2,421,836	2,503,615
North American Cars and Trucks	219,887	250,445	166,162	918,966	7,808,439	7,771,622

*—Revised estimate. **—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

Ford returns, U.S. rebounds

With all Ford Motor Co. plants back from vacation, last week's targeted U.S. auto build of 140,026 rebounded 30.79 percent from the previous week's 107,062.

But last week's output was 14.26 percent below the year-ago week's 163,310.

So far this year, 4,643,239 cars have been assembled, 3.26 percent fewer than the 4,779,756 built last year at this time.

Companies shared last week's scheduled car production as follows: General Motors, 56.46 percent; Ford, 28.30 percent; Chrysler Corp., 9.14 percent; Honda of America Manufacturing Inc., 3.36 percent; and New United Motor Manufacturing Inc., 2.74 percent.

American Motors' Kenosha, Wis., plant was down last week for inventory adjustment. Production is scheduled to resume today (July 21).

Volkswagen of America's plant in Westmoreland, Pa., was closed for model changeover last week. It is slated to resume production Aug. 18.

Nissan Motor Manufacturing Co.'s car line in Smyrna, Tenn., remains idle for model changeover.

Ford has scheduled daily overtime at all of its plants this week.

Chrysler slated two nine-hour daily shifts this week at its Belvidere, Ill., and St. Louis No. 2 plants.

Chrysler's St. Louis No. 1 plant is down this week for model changeover. Production is scheduled to resume the week of Oct. 20.

No Saturday overtime has been scheduled at GM plants.

GM's plants down for model changeover week include: Orion Township, Mich., until Aug. 5; Leeds, Mo., until Aug. 5; Lordstown, Ohio, until Aug. 13; Doraville, Ga., until Aug. 4; Norwood, Ohio, until Aug. 5; and Van Nuys, Calif., until Aug. 18.

Truck schedule climbs

Last week's scheduled domestic production of 63,546 trucks climbed 69.88 percent from the previous week's 37,407.

The increase was due to Ford Motor Co. plants returning from vacation.

But last week's output was down a bit (0.82 percent) from the year-ago week's 64,070.

Year-to-date, 1,998,538 trucks have been built, 3.98 percent more than the 1,921,967 assembled last year at this point.

General Motors slated two overtime shifts Saturday (July 19) at its Baltimore plant.

Ford plants slated for Saturday (July 19) overtime were: Norfolk, Va.; Twin Cities; Louisville, Ky.; and St. Louis.

Ford has scheduled daily overtime this week at all its truck plants except Lorain, Ohio.

Saturday (July 26) overtime is slated at Ford's Louisville and St. Louis plants.

Holiday cuts Canadian output

With several plants on vacation, last week's scheduled Canadian production of trucks was the lowest this year. Car output was the lowest since the holiday week ended Jan. 5.

The targeted truck build of 6,367 units last week trailed the previous 1986 low of 7,665 for the week ended Jan. 5.

Last week's truck output was 44.90 percent less than the previous week's 11,555 and 49.83 percent below the year-ago week's 12,691.

But total truck production for 1986 passed the 500,000 mark last week, reaching 505,077.

The year's total is 1.04 percent better than the 499,869 trucks assembled last year at this time.

Navistar International Corp.'s Chatham, Ontario, plant closed for vacation last week.

Targeted auto production of 9,948 units last week was the lowest since the week ended Jan. 5, when 6,175 cars were assembled.

Last week's output dipped 1.87 percent from the previous week's 10,138 and was 4.11 percent below the year-ago week's 10,374.

So far this year, 624,768 cars have been assembled, 6.46 percent more than the 586,847 built last year at this time.

GM eyes its minivan plant options

General Motors Corp. is re-evaluating plans to build a plastic-bodied minivan at its Framingham, Mass., assembly plant.

The plans are being reconsidered because of the UAW local's refusal to renegotiate a labor agreement and the town's refusal to rezone a parcel of land for a plant to make the plastic body panels.

GM confirmed alternative plants are being considered.

GM has not reached a local contract agreement with UAW Local 422, and a union spokesman has said it will not reopen the present contract.

The town board last week refused to allow a rezoning of 14 acres of state-owned land for a $60 million facility to make plastic body panels. GM had wanted a that plant adjacent to the assembly plant.

The Framingham plant now produces the A-body Chevrolet Celebrity and Oldsmobile Cutlass Ciera models.

CANADIAN CAR	Week Ended July 19, 1986	Week Ended July 20, 1985	Week Ended July 12, 1986	July to Date	Jan. 1 to July 20, 1985	Jan. 1 to July 19, 1986
AMERICAN MOTORS	0	0	0	0	5,493	2,382
FORD MOTOR	0	0	0	6,873	267,569	289,806
GENERAL MOTORS	9,723	10,149	9,913	27,740	307,779	326,579
VOLVO	225	225	225	594	6,006	6,001
Total Cars, Canada	9,948	10,374	10,138	35,207	586,847	624,768

U.S. TRUCK☆	Week Ended July 19, 1986	Week Ended July 20, 1985	Week Ended July 12, 1986	July to Date	Jan. 1 to July 20, 1985	Jan. 1 to July 19, 1986
CHEVROLET	22,771	23,457	19,693	56,954	676,140	681,408
DODGE	3,800	4,167	4,975	12,308	121,940	47,972
FORD	27,696	23,268	0	29,120	650,196	783,141
GMC	3,329	7,167	6,654	14,677	208,246	202,208
NAVISTAR	0	1,594	0	1,032	43,005	40,127
JEEP	3,600	0	3,735	9,733	114,682	110,589
NISSAN	0	2,367	0	2,445	55,826	67,741
AM GENERAL*	50	50	50	132	1,390	1,412
MISCELLANEOUS*	2,300	2,000	2,300	6,072	50,542	63,940
Total Trucks, U.S.	63,546	64,070	37,407	132,471	1,921,967	1,998,538

CANADIAN TRUCK	Week Ended July 19, 1986	Week Ended July 20, 1985	Week Ended July 12, 1986	July to Date	Jan. 1 to July 20, 1985	Jan. 1 to July 19, 1986
AMERICAN MOTORS	900	0	906	2,370	0	15,608
CHRYSLER	0	6,684	4,719	8,104	236,669	227,106
FORD	0	0	0	2,215	89,320	91,859
GENERAL MOTORS	5,467	5,685	5,730	14,985	167,058	165,043
NAVISTAR	0	322	200	326	6,822	5,461
Total Trucks, Canada	6,367	12,691	11,555	28,000	499,869	505,077
N. American Trucks	69,913	76,761	48,962	160,471	2,421,836	2,503,615

☆—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

It's off to Japan for Mazda staff

An initial group of 37 American employees of Mazda Motor Manufacturing (USA) Corp. have begun a month-long training program at Mazda plants in Japan.

Mazda expects to train 400 American employees in Japan through a program scheduled to conclude in April 1987.

The company expects to begin production in September 1987 at its $450 million plant under construction in Flat Rock, Mich.

The first trainees traveling to Japan are primarily leaders from maintenance operations.

Assembly employees will begin Japanese training sessions in the fall.

The trainees will visit Mazda's headquarters and plants in Hiroshima. They will also spend time at the Hofu plant, which serves as a model for the Flat Rock operation, Mazda said.

Training will include classroom instruction, instruction in the operation of production machinery and on-the-job experience at Hofu.

The Flat Rock plant is expected to produce 240,000 vehicles annually at full capacity.